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CENTRAL INTELLIGENCE AGENCY

DD/ST# 694-6571

3 February 1965

MEMORANDUM FOR: Mr. Joseph A. Yager,
Coordinator, National Policy Papers
Department of State

SUBJECT: National Policy Paper on Ghana

The attached comments are submitted in connection with the 29 December 1964 draft of the National Policy Paper on Ghana. They represent a coordinated view of the covert, DD/I, and DD/S&T components of CIA.

You will note that proposals for substantive changes in this paper have been made prior to clearance of Part I.

Senior Intelligence Support Officer

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COMMENTS ON GHANA NATIONAL POLICY PAPER

We believe the 29 December 1964 draft is substantially improved over previous editions of the Ghana National Policy Paper. In this connection, we note that greater account is taken of Ghana's extensive subversion throughout Africa. We are thoroughly in accord with the judgments that friendly relations between Ghana and the US are improbable so long as Nkrumah rules (page 5), and that a concomitant of Ghana's policies has been the growth of internal Communist influence as well as a close relationship with the Communist world (page 14).

Further, we endorse the conclusions that:

"For the foreseeable future, Ghana will be closely aligned with ... the Communist World." (page 2) and,

"e. Over the long-term, if Nkrumah remains in power, these trends appear to be creating a basis on which a strong Communist movement could be formed. Furthermore, the chances of a radical succession after Nkrumah are improving." (page 17).

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Although we believe that proposed US policies in the successive drafts have come some distance in developing an effective approach to Ghana and Nkrumah, e.g., a determination to reject additional requests for capital loans or grants, additional modifications should be made in the present draft to face up to the analysis quoted above. We are less persuaded than is the author that "direct attempts to change the situation would be counterproductive" (page 2a).

Specifically, CIA is convinced that Ghana's present alignment with the Communists nullifies the advantages of continued investment in such activities as the Volta/Valco complex. In retrospect, it is ironic to recall that large-scale US support for Volta/Valco was initially undertaken to create an enclave of US "influence" in Ghana (page 24, lines 8-10). We believe that continued US support for these projects should be predicated on indications of an improvement in Ghana's attitude toward the US and the West, and in a more genuinely nonaligned position in its relations with the Communist states.

Consequently, CIA cannot endorse proposed Course of Action B, (page 34), or item 2H (page 42), which call for the completion of current US capital projects in Ghana. Nor does CIA agree with

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the rationale for continued support for the Volta/Valco project set out on page 35, lines 3-4. CIA submits these proposals for substantive changes prior to formal clearance of Part I by the Agency (per step No. 8 National Policy Paper Procedures).

Additional Specific Comments

A. Page 1, para. 1, line 4. We see little evidence that Ghana has a particularly "vigorous development" program, nor do we believe the regime is "dynamic". Perhaps "activist" would better describe its character. At times the regime is frenetic but scarcely dynamic in the sense of making substantial or sound progress. Indeed, apart from the Volta/Valco complex, the development program really doesn't seem to amount to much.

B. Page 1, para. 3, line 3. After the word "... nationalists", add: "so long as Nkrumah is in office". We believe that although Ghana would have some impact on the rest of Africa, its influence would be considerably reduced if Nkrumah were out of office inasmuch as so much of Ghana's attraction for African radicals is embodied in Nkrumah himself.

C. Page 3, para. 3, line 3. We believe Nkrumah clearly is in charge of the situation, but we hesitate to say that his control is "absolute".

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D. Page 4, section b, lines 4-6. We think that it is too simple to accept, at face value, Nkrumah's occasional encouragement to foreign private investment and to an indigenous private sector. For even as Nkrumah makes these pronouncements, he usually makes it equally clear that the private sector of the economy is on sufferance, to be dispensed with as soon as possible. Beyond that, the government-controlled press constantly attacks capitalism, and the US as the chief base of capitalism, with the result that the atmosphere in Ghana is heavily loaded, indeed hostile, toward the introduction of foreign investment capital.

E. Page 8, para. B1, lines 6-7. We strongly doubt whether it can be demonstrated on any firm statistical grounds that Ghana's per capita income is the highest in Africa. But if it is thought useful to retain this sentence we suggest adding, "by a few dollars at most".

F. Page 8, para. B1, lines 12-17. In connection with judgments on Ghana's economic growth rate, it shall be noted that since independence the rate has barely kept abreast of population growth (scarcely jibing with the vigorous development program described on page 1, para. 1). In any event, the high growth rate period during the 1950's occurred under UK tutelage and we think this is a point worth making.

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G. Page 10, para. 4, line 5. We suggest that "tend to" be changed to "almost certainly".

H. Page 25, para. 3, lines 12-14. We are less confident that Ghana is so prosperous as to be much of a showcase.

I. Page 27, item 7. Following the word "affairs", add: "in such fields as subversive activities, propaganda, and other political activities."

J. Page 27, item 9. After the word "policies", add: "and, especially, its tactics".

K. Page 29, B.1, first sentence. In order to avoid possible interpretation that no attempt should be made to monitor the activities of any opposition groups, this sentence should be changed to read:

"Active participation in a plot

L. Page 30, para. 1, lines 1-3. Although it is perhaps theoretically possible to have "someone worse than Nkrumah" come to power in Ghana, the chances that this eventuality might soon come to pass would appear remote since:

"as yet the few pro-Communists and crypto-Communists have no power base or consistency independent of Nkrumah's patronage. If his support were withdrawn they would be unable to hold their own". (page 16).

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Moreover, the chances that someone "worse than Nkrumah" would come to power are said to increase with time (page 17, para. e).

M. Page 36, para. 1. We are convinced that the US has been the victim of "a sustained anti-American campaign" since September, 1962. To be sure, there have been occasional short lulls in terms of specific attacks or actions against US interests, but the overall posture of the Ghana government has been essentially one of sustained anti-Americanism. In sum, Ghana's virulent antagonism over the past two and one-half years, and the lack of prospects for its abatement, places us for all practical purposes already in a situation described in contingency "D" (we assume the reference to contingency "C" in line 12 actually refers to "D"). In considering the application of contingency "D", Ghana's activities in connection with the Congo issue, as well as its subversive policies elsewhere in Africa (see item P) are pertinent. We note that Contingency "D" calls for a review of US contingency plans for Volta/Valco (page 60, line 8).

N. Page 36, item e. Contacts with Nkrumah. Can we employ ostracism as a lever on Nkrumah? That is, when he gets rough, we pull back. It seems to us that high-level visits more often

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than not feed Nkrumah's ego and pretensions to even more power rather than dissuade him from new adventures or anti-Western actions.

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P. It would be useful to expand that part of the paper dealing with Ghanaian subversion elsewhere in Africa, citing some examples and estimating the scope. We believe this to be an important aspect of Ghanaian policy which runs directly counter to US policies.

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